

EXHIBIT A

Fill in this information to identify the case:

Debtor 1 Celsius Network LLC
Debtor 2 Celsius Lending LLC
(Spouse, if filing)
United States Bankruptcy Court for the: Southern District of New York
Case number 22-10964 (mg)

Official Form 410

Date Stamp Copy Returned

Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>iCapital Management Inc.</u> Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Name <u>ZAMEER Azam</u> Number <u>11295</u> Street <u>Rothschilds Ct.</u> City <u>Dublin</u> State <u>CA</u> ZIP Code <u>94568</u> Contact phone <u>(415) 913-8906</u> Contact email <u>iccapitalmanagement1@gmail.com</u>	Where should payments to the creditor be sent? (if different) Name _____ Number _____ Street _____ City _____ State _____ ZIP Code _____ Contact phone _____ Contact email _____
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: <u>5 8 1 1</u> <u>Money Services Business #</u>
7. How much is the claim?	\$ <u>See Attachment 1</u> Does this amount include interest or other charges? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>Assets held in Trust by Celcius for iCapital Management Inc.</u> <u>See Attachment 1</u>
9. Is all or part of the claim secured?	<input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input type="checkbox"/> Real estate. If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>Bitcoin (BTC) and other Crypto Assets</u> Basis for perfection: <u>See Attachment 1</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: \$ <u>See Attachment 1</u> Amount of the claim that is secured: \$ <u>See Attachment 1</u> Amount of the claim that is unsecured: \$ <u>See Attachment 1</u> (The sum of the secured and unsecured amounts should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ <u>See Attachment 1</u> Annual Interest Rate (when case was filed) <u>11%</u> % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☒ No

☐ Yes. Check one:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ _____

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 08/10/2022
MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name

ZAMEER
First name

RIAZ
Middle name

ARAM
Last name

Title

Chief Investment Officer

Company

iCapital Management Inc.

Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

1309 Colleen Avenue
Number Street

Sheridan
City

NY
State

82802
ZIP Code

Contact phone

(415) 913-8906

Email

icapitalmanagement2@gmail.com

iCapital Management Inc.
Zameer Azam, Chief Investment Officer
1309 Coffeen Ave
Sheridan, Wyoming, 82801

Dated: August 08, 2022

Honorable Judge Martin Glenn
US Bankruptcy Court for the Southern District of
New York

RE: Case # 22-10964, Proof of Claim, Attachment 1

Honorable Judge Glenn,

On behalf of iCapital Management Inc. hereinafter "The Company, Our Company or Company" appears Zameer Azam an authorized representative and Chief Investment Officer (CIO) of the aforementioned company.

Our company currently has the following assets held in trust with Celsius Network LLC and Celsius Lending LLC:

USD Coin (USDC) \$7,230.88
Custody: 7,216.550573/ \$7,216.55
Earn: 14.33012/ \$14.33

Bitcoin (BTC)
Collateral Balance: 1.761163 BTC
of which there is an asset backed collateralized outstanding loan in the amount of \$17,000
USDC

Earn: 0.0000501 / \$1.20

ZCash (ZEC) \$152.18
Custody: 1.995370 ZEC \$152.19

Ethereum (ETH) \$2.53
Custody: 0.000557 \$0.99
Earn: 0.000870 \$1.54

The above assets were placed in trust with the Celsius Network LLC. Following placement of the assets in trust, a loan was taken out backed by the trust assets with Celsius Lending LLC.

iCapital Management Claim against Celsius

August 8, 2022

Page 2

When hearing through online sources that Celsius Lending LLC became fiscally depressed, I contacted Celsius Lending LLC to pay off the loan and reclaim the assets from the trust.

On June 07, 2022 our company received a memo from Celsius advising us that the rumors we have been hearing on social media had been just that, rumors. Celsius also advised in that memo:

"Celsius continues to process withdrawals without delay. We have not had any issues meeting withdrawal requests. Celsius honors all withdrawals as quickly as possible and works hard to support customers if and when there are delays.

Celsius has the reserves (and more than enough ETH) to meet obligations, as dictated by our comprehensive liquidity risk management framework." See (Attachment 2).

On June 13, 2022 I contacted Celsius advising them that our company would like to pay off the asset backed loan in total and remove our bitcoin out of trust and back to its rightful owners (The Company), See (Attachment3). However, Celsius Lending LLC refused to respond to inquiry regarding removal of our trust assets from their platform.

On June 16, 2022 I advised Celsius that for the last few days we have been trying to deposit additional funds in order to meet margin call and at the very least allow us to use the USDC (\$7,230.88) to meet margin call. As we were issued a margin call to either deposit crypto-currency to meet margin requirements or face potentially being liquidated on part of our position. We had more than sufficient funds in our account in USDC to meet margin requirements but we're unable to because Celsius has paused swaps and restricted our access in moving crypto within the companies account. We advised Celsius that we would like to use the funds (USDC) to pay part of the loan down or in the alternative send additional crypto in to close the loan out and move our Bitcoin out of Celsius.(See Attachment 3)

On June 17, 2022 I had sent another email to Celsius notifying them that they could use the \$7,000+ in USDC to close part of the loan and when I received notification from them that I could withdraw our bitcoin from their custody back into mine I would send the additional funds needed to close the loan.

I was later advised by Celsius that while I could not take The Company's bitcoin out from their custody they would allow us to restructure the loan and partially close the loan and refinance it based on payment of the amount currently held in custody. Not wanting any more transactions occurring within the platform (except to close the loan out completely and pull the bitcoin out of trust) we denied the refinance. Celsius Lending LLC again refused to accept payment and release the trust res.

On July 18, 2022 Celsius and it's subsidiaries filed for Chapter 11 bankruptcy protection and reorganization.

iCapital Management Claim against Celsius

August 8, 2022

Page 3

We are prepared to repay the outstanding amount of the loan in full, and have attempted to do so on several occasions only to be refused. A payment offered generally forgives the obligation, however, we will tender full payment of the outstanding amount, unless the USDC is used to offset the loan amount in which case we are prepared to tender the remaining amount to honor the loan.

We expect, as Grantor to the trust and owner of the trust res, to have the trust res restored to its rightful owner upon payment of the outstanding loan amount, as there is no lawful right to withhold the trust res and to do so will obligate the trustee, Celsius Lending LLC, as a trustee de son tort, to the sum of \$24,000 per bitcoin as a bottom price target and to as high as the spot market will take the asset before the asset is returned that was entrusted to the trustee.

Honorably and Respectfully,



Zameer Azam

CIO, iCapital Management Inc.



Attachment 2

June 7th, 2022

Celsius Announcement 7th June 2022

Damn the Torpedoes, Full Speed Ahead

Over the past several weeks, the entire crypto community has faced a challenging time. Behind the numbers of this sharp downturn are the stories of real people facing real hardship. Single moms, pilots, cleaners, small business owners, students, veterans and so many in between. Everywhere crypto is held, hard-working people around the globe are constantly checking their accounts. They're worried about the future. They're worried about their families.

We at Celsius are online 24-7. We're working around the clock to continue to serve our community. Celsius has one of the best risk management teams in the world. Our security team and infrastructure is second to none. We have made it through crypto downturns before (this is our fourth!). Celsius is prepared.

At this already challenging time, it's unfortunate that vocal actors are spreading misinformation and confusion. They have tried unsuccessfully, for example, to link Celsius to the collapse of Luna and falsely claim that Celsius sustained significant losses as a result. They have stirred confusion around HODL mode and the importance of protecting user accounts. And the list goes on.

Every company faces the decision of how much time to spend swatting away false claims. We've decided that every minute we spend dignifying misinformation is a minute we're not spending building for our customers so that they can achieve financial freedom. Yes, we may occasionally respond to an untrue claim. But we won't allow smears and distortions from a handful of haters to take our time away from our customers.

Let us be clear:

Celsius identified instability in the Luna/UST peg early and acted swiftly to protect our customers. We built a world-class risk management team for precisely this reason.



June 7th, 2022

All instances of HODL Mode are a response to protect user accounts and to comply with regulatory, compliance, and legal requirements. In most cases, HODL Mode can be deactivated quickly by contacting Celsius Customer Care.

Celsius continues to process withdrawals without delay. We have not had any issues meeting withdrawal requests. Celsius honors all withdrawals as quickly as possible and works hard to support customers if and when there are delays.

Celsius has the reserves (and more than enough ETH) to meet obligations, as dictated by our comprehensive liquidity risk management framework.

Despite difficult cycles in the market like we face today, we at Celsius remain deeply optimistic about the future. Celsius was not founded to make small improvements to TradFi. From day one, we sought to radically disrupt a broken system. We have worked non-stop to transform, revolutionize and build powerful tools to help everyday people all around the world attain their financial dreams. It hasn't always been easy, but then again, what revolution was?

We believe that those partaking in crypto today are pioneers. Some choose DeFi, others NFTs or DAOs. Regardless, you are charting a bold new course towards financial freedom for humanity. The road can sometimes be difficult, but with grit and passion, we will succeed.

So, despite the downturn, despite those who spread misinformation, despite daily challenges, we are building better.

To quote a famed Civil War rear admiral, "Damn the torpedoes, full speed ahead."

LinkedIn: <https://www.linkedin.com/company/celsiusnetwork/>

News: <https://celsius.network/news>

Blog: <https://blog.celsius.network/>

Twitter: <https://twitter.com/CelsiusNetwork>

Is it true that Celsius is filing for bankruptcy? If this is fact we would like to sell what we have and remove what is left from your platform.

Sincerely,

Zameer Azam
CIO, iCapital Management

The Lending Team

Hello Zameer,

Thank you for reaching out to us. We appreciate your patience as we continue to work through inquiries as quickly as possible.

The treatment of digital assets under the law is currently unsettled and we make no representation as to how digital assets transferred to your Celsius Account will be treated in the future.

Before adding any more collateral, please note the following:

As more fully explained in our [blog post](#), we have paused all withdrawals, Swap, and transfers between accounts. Consistent with that post, any additional assets transferred to your Celsius Account will not be available for withdrawals, Swap or transfers between accounts during this time period, including any digital assets transferred to your Celsius Account in response to a margin call, as well as any collateral released when you pay down or close an outstanding loan.

In accordance with the applicable terms of your loan, full legal title to any digital assets posted as collateral for the loan is transferred to Celsius and/or its affiliates. Celsius is currently seeking to stabilize its liquidity and operations. In that regard, Celsius is considering all of its options, including strategic transactions, as well as a restructuring of its liabilities. For more information on how your transfers to your Celsius Account may be impacted under the above scenarios, please carefully review your Celsius Loan Terms and Conditions, or other applicable loan or sale and repurchase agreement, as well as Sections 4, 10, 13, 23, and 27 of [Celsius' Terms of Use](#).

Icapital Management

Hello,

We would like to pay off the loan completely and withdraw the bitcoin out of our account. In the meantime you may use the USDC held to partially close the amount of the loan that is above contracted LTV amount. We would like some guarantee that we will be able to get our bitcoin out of Celsius once our loan is closed and paid in full as well.

Sincerely,

Zameer Azam
CIO, iCapital Investments

The Lending Team

Action Required - Resolve Margin Call for Loan #49877

Dear iCapital Management Inc.,

The LTV for your active loan #49877 has reached 65.00% and a margin call has been issued. Your current LTV is 65.70%, to keep your loan active and avoid liquidation, you must resolve the margin call by adding enough collateral to rebalance the LTV back to the contracted rate of 50.00%.

Below is an overview of your loan details and the amount of crypto you need to add to resolve the margin call:

Due Date: June 14, 2022 11:24 PM
(UTC)

Collateral Amount Due: 0.36940861 BTC

** The amount is an estimate and may fluctuate based on the actual value at the time the digital currency is locked.*

Loan Number: 49877

Loan Amount: 17,000 USDC

APR: 8.95%

Origination Date: June 4, 2021 2:36 PM

Maturity Date: December 4, 2022
12:00 AM

Current Collateral Balance: 1.1761163 BTC

Contract LTV: 50.00%

Current LTV: 65.70%

Margin Call LTV trigger: 65.00%

Liquidation LTV trigger: 80.00%

According to the loan Terms and Agreement, if a margin call is not resolved within 24 hours and/or if your loan LTV reaches 80.00% or more, Celsius may have to liquidate your collateral to cover the principal loan amount. There is a 3% operational charge for the liquidation of collateral.

If you have any questions or require additional assistance, please contact loans@celsius.network.

Additional Margin Call Resources:
[Margin Call Management](#)
[Margin Call FAQs](#)
[Tutorial - How To Resolve a Margin Call](#)

Celsius Network LLC
[121 River St, PH05](#)
Hoboken, NJ 07030
USA

Celsius EU UAB
[Gedimino pr. 20](#)
[Vilnius 01103,](#)
Lithuania

Celsius Network Limited
The Harley Building,
77-79 New
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London W1W 6XB,
United Kingdom

Celsius Lending LLC
[121 River St, PH05](#)
Hoboken, NJ 07030
USA

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Mike Vrazic

Hello

Thanks for connecting with Celsius. I'll be happy to assist you.

Deposits into your Celsius account are available via the Web App.

You can view your Deposit addresses via the Web App - <https://app.celsius.network> by following the below steps.

1. Once logged into the Web App, click the Recieve tab in the menu.
2. Choose the coin you wish to deposit.

Please ensure you perform a small test transfer to the above address before sending the full amount and please only transfer funds to this address using the native blockchain of the coin type.

Once you see the funds in your Celsius account, you will be able to go ahead and close the loan/resolve your margin call directly from the app. If you are adding collateral for a margin call, please ensure you transfer the full amount displayed in the app to resolve the margin call in full by reducing your current LTV back to the contract LTV.

Please be advised that any additional assets transferred to your Celsius Account will not be available for withdrawals, Swaps or transfers between accounts during this time period. We encourage you to carefully review Celsius' Terms of Use, before transferring additional assets to your Celsius Account.

Should you have any further queries, please feel free to reach out.

iCapital Management

To whom it may concern,

We have been trying for days to deposit additional funds into Celsius in order to meet margin call and have been unable to. We are not even being allowed to use the funds we have in Usdc to meet margin call. We DO NOT wish for you to liquidate any of our bitcoin. As a matter of fact we would like to know if there is a way to pay down the principal at least by half or is can we pay and close the entire loan off and move our bitcoin out of Celsius. These last few days have been frustrating for us, and we would like some assurance that your company is not insolvent.

Sincerely,

Zameer Azam
CIO, iCapital Management

On Tue, Jun 14, 2022 at 2:25 PM Celsius <app@celsius.network> wrote:



Hi Zameer,

Thanks for reaching out regarding your margin call.

As indicated in the loan terms and conditions, our loans are balloon structured loans. This means you only pay interest every month and the principal amount is paid back in one full payment when the loan is closed.

At this time we can approve a partial payment exception in order to resolve your margin call. This means that your loan amount will be reduced to meet your contract LTV.

Please note the guidelines for a partial payment to close your margin call:

- The partial payment can only be received in USDC since your principal is in USDC.
 - If applicable, a new minimum 6-month term will be added to the loan after the partial payment.
 - The **only** amount we can pay down is **exactly** enough to bring the LTV back to your contract LTV.
- **All calculations are based on the date of execution. As of this writing, the amount is approximately \$5,392.26.**

This amount is an estimate and may fluctuate depending upon the spot price of the digital assets at the time of the partial payment which may result in more or less than this estimated amount.

In the event that your LTV ratio exceeds 80% at any time, your loan may be liquidated despite the statements in this email.

Before adding any additional assets to your Celsius Account, please note the following:

As more fully explained in our [blog post](#), we have paused all withdrawals, Swap, and transfers between accounts. Consistent with that post, any additional assets transferred to your Celsius Account will not be available for withdrawals, Swap or transfers between accounts during this time period, including any digital assets transferred to your Celsius Account in response to a margin call, as well as any collateral released when you pay down or close an outstanding loan.

In accordance with the applicable terms of your loan, full legal title to any digital assets posted as collateral for the loan is transferred to Celsius and/or its affiliates. Celsius is currently seeking to stabilize its liquidity and operations. In that regard, Celsius is considering all of its options, including strategic transactions, as well as a restructuring of its liabilities. For more information on how your transfers to your Celsius Account may be impacted under the above scenarios, please carefully review your Celsius Loan Terms and Conditions, or other applicable loan or sale and repurchase agreement, as well as Sections 4, 10, 13, 23, and 27 of [Celsius' Terms of Use](#).

Please let us know if you would like to continue with a partial payment to close your margin call.

iCapital Management

I would like to use the \$7k+ plus to close part of the loan. Once part of the loan is closed I will transfer in the remaining loan balance to close off the loan. At the same time I would like to withdraw the bitcoin we have in custody with your company. Please let me know when you can transfer crypto out again, as that is when I will pay off the balance of the loan.